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AREA SURVEY OF THE MIDDLE EAST

I have placed the Middle East survey under two major headings. First, I will give you a characterization and evaluation of the area, and under that I will discuss the physical-political-economic-cultural characteristics. In the second place I'll discuss the current trends and developments in the area and conclude that first section with some comment on the strategic aspects of the area. The second major point to which I will address myself will be some evaluation of the intelligence problems on the basis of the materials — in other words, analysis of the intelligence problems. Under that I'll discuss first the quality and the quantity of the information, then evaluation and analysis of problems and materials, and conclude by evaluating and commenting on the type of finished intelligence available for the area. Now, the characterization and evaluation of the area as such.

I shall define the Middle East for you by pointing out that this will include the areas of South Asia, including India, Pakistan, Ceylon, Nepal, Afghanistan, Iran, Turkey, Greece, and the Arab states, including Egypt and Israel. Just a little bit on the physical side of the area. As you can see on this map, which is very good for illustrating the type of terrain that you have, covering from Greece all the way over here to the tip of Afghanistan you have very rugged country — country which is in a sense divided, separated from the Russian areas that are above it. The terrain becomes exceedingly high in points in Afghanistan. Also here in Iran, lower Iran, and in the Armenian mountains of Turkey. The area does not, therefore, lend itself to lateral communication. There are problems of communication, and we are thinking here in terms of a modern war or modern problems of integrating the area. There are tremendously great problems in this integration of effort along the Soviet frontier. Below this area, below the mountains, in here you have a great desert, the great desert

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of Saudi Arabia, and then you get into the African desert. Here you have the hot, steaming, and only in part fertile plain of South Asia, of India, and of Pakistan. The area is tremendous in length and breadth; it offers a lot of problems when it comes to an understanding of the political institutions that are set up here. I think we can characterize those very simply by saying that large parts of South Asia have a feudalistic, medieval type of government. South Asia and the Near East. The Middle East. Many of these states -- Afghanistan, Nepal, Saudi Arabia, and in a sense even Egypt and some of the other Arab states, function very much as they have for the last 500 or 1000 years. Small groups of people -- sometimes a king and his family, or a few nobles or successful businessmen, are running the state. Some of them have the trappings of superficial democracy. The Arab states proclaim themselves, at least in part, to be a democracy; but here too, as in the case of Iraq and Egypt and Syria and Lebanon, the people themselves have little to do with the government and have little control in the government. The governments are under the control of the privileged few. The term 'immature' can also be applied to part of these states. Politically speaking, the states of India, of Pakistan, of Israel, can be characterized as immature states. They are young, they are inexperienced in the processes of democracy, and they are making mistakes. They are not really competent to efficiently and effectively live in a complex international world. So in dealing with them and in thinking about them we must realize that they are not really genuinely mature. They are genuinely immature. There are a few exceptions and I think you must note that immediately. Turkey is an exception to these comments. Turkey has done an excellent job of developing an honest democratic government that is responsive to the wishes and the indications of the people. Greece, likewise, has a great deal of experience.

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characterize Greece as a state which is handicapped by too many political parties, as possibly France is. There are so many splinter groups that it is difficult at any given time to have a stable competent government remain in power in Greece. The splinter groups that emerge for the time being, as they have under Marshall P <sup>?</sup>, who is at the head of the so-called Rally Party, those splinter groups will fall apart again and the government falls, and you have to start all over again. Now all these people from the tip of South Asia to the Mediterranean are politically aware that democracy and freedom exist in the world. Some of them have a rather perverted concept of what that is, but they do feel and understand that there is freedom, independence, in the world, and they want it. They don't know how to go about in their desires to get it, and that often brings them into conflict and into trouble and problems that we get involved in also.

Now just a little bit on the economic side of the area. These are broad, brush interpretations. The entire area is probably retarded from an angle of modern economy. In the area we still have a medieval type of economy existing to a large extent. Look at Saudi Arabia, Iraq, Afghanistan, Egypt, all of the Arab states and even parts of Greece. All show the basic aspects of a non-modern economy. That economy can likewise throughout the whole area be characterized on the whole as deficient. Being non-modern, the economy, as it has come to develop, does not fit and adjust itself to the modern world, it's deficient in that it does not permit these people to buy on the world market those modern things, those material things which we come to accept automatically as part of the world in which we live. In other words, these people cannot buy and distribute to all of their people cars, refrigerators, radios, and a thousand and one other gadgets that make life for us what it is here. As a result, in most of these states, and that includes India,

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Pakistan, Turkey and Greece, to a certain extent, even the best cannot live - cannot really live - in the modern world in which they're trying to live without a certain amount of support and help from the outside; and that outside help has in the last years come from the United States to a large extent.

In looking at the economy of these people we come automatically to recognize that one of the problems is that many of them are dependent upon a single individual commodity for foreign exchange. In other words, Saudi Arabia sells oil. Iran sells oil. Egypt sells cotton. 80%, roughly speaking, of Egyptian balance payment -- money that they get to spend for foreign material -- comes from cotton. When the cotton market breaks, as it has, to roughly 50% or 60% of where it was two or three years ago, obviously something drastic and serious has happened. In Pakistan, the export of jute, a fiber used for making ropes and baskets, that type of thing, is a major export item. The jute market isn't good. As a result, Pakistan's entire economy suffers. Afghanistan, the little land-locked state above India, is dependent about 75% for all of its dollar and sterling resources on the one single item of karakul, sheepskin - the fancy sheepskin that's used for ladies' fur coats. When the fur coat market isn't right, or if ladies don't care for karakul or for Persian Lamb, then the economy of Afghanistan is seriously damaged. Now all of these states, even the most advanced of them, need industrial development very badly. By that we do not even suggest that they should build heavy industry, say steel and automobile industry, but they need some small industries, such as an adequate amount of cement plants, processing plants for food, small tool plants -- a thousand and one things <sup>that</sup> could be produced locally. There is the mineral, the material there. The potential is there. But the industrial development isn't there. Tied to that is the very obvious problem of capital, and the problems that exist throughout this area, the instability, the uncertainty of where these countries are

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going, have resulted in the West, and particularly in American capital on the whole staying out of the area. The United States government helps, but its capital doesn't follow. So as a result there is a sharp shortage of capital and it takes capital to build power plants, dams, and railroads, or anything else; consequently, these countries at this time are all faced by an unsolvable problem. They want more of the world's goods, and they can't get them because they haven't got the capital to put into their country the type of equipment and development that is necessary so that that country can support the people that live there on a scale that is even vaguely close to the kind of a scale that we operate on.

Now, in characterizing them: I'd like to conclude this characterization and evaluation of the area by saying something about the cultural patterns that are a factor in the area. This entire area, the entire Middle East, is very proud of its culture and its background. Nearly all of these countries, whether it is India, or Greece, or whether it is Egypt or Turkey or Saudi Arabia or Iran every one of these countries has a long and in most cases a rather brilliant and picturesque pattern of culture behind them, a pattern that in some cases goes back to the very dawn of civilization. These people are proud, they are aware in a dim way of the accomplishments that their ancestors have made to the world. Therefore, they are neither ready nor willing to turn to us and to easily and automatically accept from us our culture and to throw their culture away. In understanding this area and in dealing with this area, we always run into the fact that these people are different and their culture is different. They don't understand us and we do not understand them. As a result the problems that exist automatically become magnified. Little things that could be easily solved become big things. There is, therefore, this inherent conflict between the West and the East, as has been put often and often said. But the

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language and the culture, the religion, the patterns of thought, are all different, and they're all in direct conflict with ours. Now, as we look at this area we are convinced that their culture now is inbred, it's not progressive, it's not forward looking, it isn't going to get them anywhere by our standards if they stick with certain parts of it. And as we work with them, and as we approach them and try to understand them, this factor always seems to come to the foreground. We tend to be critical, often on the basis of inadequate knowledge and acquaintance and that hasn't helped our country's relations in the area.

Now this second major point I'd like to make for you is something on the current trend in the area. I've given you the characterization -- the physical-political-economic-cultural aspects of the area; now something on the current trends. The trends seem to me to be conflicting. On the one hand we have throughout the area the genuine and honest willingness to cooperate with the West. We find that very strongly in Turkey, in Greece, in Pakistan -- we find it in a lesser degree in all of these countries. These countries do want to learn, they realize that we have a great deal that they need, that they want. On the other hand, there is throughout the area an antagonism, based on those factors I've just finished enumerating, an essential antagonism toward us on all these cultural factors, these intangible factors that we don't always understand, but which come to be tremendously important in understanding and dealing with these people. Added to that is possibly the problem of color, race, and then possibly a very important factor is the colonialism of the European powers in the area in the past. These people feel very sharply that Britain, France, and the other European powers all have been guilty of exploiting them, of controlling them, of handling them in a manner of which they now disapprove, and to which, in most cases, they violently object.

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memory of colonialism, which is just around the corner for many of them -- after all, South Asia became free just five years ago, and much of the Near East - the nearer East - has been progressively becoming free within the last 20, 30, 40 years -- so this colonialism is right behind them and they're very aware of it. Now, as the political power is withdrawn, they seem to feel everywhere economic imperialism, economic slavery, the efforts of the West to penetrate them in an economic manner, and again resentment springs up.

Another force that springs out of this conflict of cooperation and antagonism which seems to be throughout the area is neutralism. The most eloquent exponent of neutralism is of course Prime Minister Nehru of India. He is honestly and genuinely convinced, it would seem, that he can occupy a completely neutral position between the East, meaning Russia, and the West. He feels that he is the third, or can be, the third great force, who may someday lead the two warring factions to a settlement, or at least, if they don't settle, he is still an independent in-between. That neutralism isn't always as eloquently or as philosophically put by other people in the area. But again in every country, with the possible exception - probable exception, I should say - of Turkey, neutralism, the idea of 'Let's stay in the middle - we don't want the Soviet Union and we don't want the West,' that feeling is a potent factor in the attitudes and the decisions that many of these countries are making today. Into this picture I think we must inject the practical observation that in the UN today the Arab-Asian-African block is becoming more and more conscious of the fact that it has votes to sell and it can turn around and bargain with the West, or at least try to bargain with the West. It can certainly bargain with the Soviet block. So you see, on a very practical level, the fact that in the UN we are going to have to face this neutralism increasingly, neutralism which tends to bargain with both sides in an attempt to stay in the

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middle, or to get the best decision out of the UN on the basis of the bargaining technique.

Before we leave this picture of cooperation-antagonism-neutralism, it's appropriate to say a little on Communism. Communism throughout the area is not yet a major threat to the stability of any of these governments with the exception of Iran. I'll characterize the individual areas rather quickly for you. In South Asia, in India, we have a well-organized, violently antagonistic Communist group. In certain parts of India, South India particularly, they have considerable strength in local legislative bodies. They do not control a sizeable block -- relatively speaking, they have less than 10% strength in the central government out of <sup>all</sup> the people -- but in all these places they do carry on a violently strong, well-organized campaign against the government program on an intellectual legislative level. In India or wherever they are, they are vocal, well-organized, well-led. The intellectual leadership is firmly entrenched in Indian universities, Calcutta particularly, and they are potentially, in the long run, a serious force. Numerically they are estimated somewhere between 30 to 50 thousand, but they are -- that 30 to 50 thousand is -- intelligent, capable, and well-disciplined on the whole. Pakistan has but a few thousand, somewhere, possibly, between 5 and 6 thousand. They, however, have demonstrated adroitness and skill in jumping on the bandwagon in the recent student-originated riots in Lahore, then a little later they jumped on the bandwagon when there were local troubles over the religious sect to which the foreign ministers belonged. So they have shown ability to utilize disturbances or problems for their own devices. Iran, as everyone here knows, is on the brink of destruction and collapse. A potent factor in the possible destruction of Iran is the Tudeh Party. The Tudeh Party is again small; figures of its hard-core membership vary from somewhere -- estimates vary from 10 to 15 thousand, possibly 70002-2 but the

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Party has sympathizers that possibly run up to 50 or 75,000 throughout the country. Their sympathizers vary as their importance varies. The party itself has shown admirable discipline. It is directed from Moscow, and when crisis comes, that Party will be in a position with Russian help, clandestine, we believe, to become a potent factor in the collapse and the breakdown of law and order, out of which we believe that the party will manage to form some type of united front, and from there to pass over to an absolute control of Iran. We consider Iran the one danger spot, from a Communist angle, in the whole area. Turkey has very few Communists. The Turkish police are resolutely strongly anti-Communist; the people are anti-Communistic, and there are, at best, a few hundred genuine Communists in the state. There may be a few more sympathizers. Greece has thrown the Communists out, by direct military action. That action occurred in the year immediately after the war; and, as you know, there are Greek guerillas now in Rumania, in Poland, in Czechoslovakia, in Bulgaria, and elsewhere to the extent of some possibly 20 to 30 thousand Greek Communists outside the state. The Greek military forces, of course, will see to it that they don't come back, and those forces are what they are today through American help. Inside Greece, there are probably only a few hundred genuine Communists. There are, however, some thousand malcontents who offer constant trouble to the governments that are in power. These malcontents, the EDA Party as it's called, in the last election, polled over 10% of the votes. There are numbers of Italians, Greeks, South Europeans generally, and Armenians from the areas to the East, and it's in this area in this group of people that we have the Communist activity in Egypt. Israel has a small, determined, hard-core Communist group. They were, as such, never a threat to the government. The government was handicapped seriously at times by the Mapam Party. The Mapam was leftist, decidedly leftist, ranging from moderately so, if we can use it in that sense, to leftist who are certainly

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are occurring, we who are in the intelligence business feel that there is no clear indication that there will be a settlement in the near future. Now two subjects that are also in the news: the Anglo-Egyptian dispute, and the Anglo-Iranian dispute. Those of you that have followed the newspapers know that 18 months ago the Egyptian government broke its former treaty with Britain—abrogated it, if you want to be a little more technical, but it still means the same thing. Egypt broke its treaty, which was to last until 1956, simply because Egypt was infected, as much of the area is, with extreme nationalism, anti-Western nationalism. They broke the treaty and insisted that they have the right to annex Sudan, the large territory to the south of Egypt which was under British and Egyptian control jointly; and they also insisted that every British soldier get out of the area, the Suez area. Sudan is promised its freedom by both Egypt and Britain, and the Sudanese problem is close to being solved if the irritations that will come in the next month before they get their elections don't damage it. On the Suez problem there is what amounts to an absolute deadlock at this time. The British insist that they cannot leave the Suez area without some provision which includes Western troops, particularly British troops, and air strength and technicians; they insist that they owe it to themselves and to the West, and that they need this great important strategic base in case war comes. The Egyptians have insisted that they cannot and will not talk with the British over final settlements until Britain promises to take every soldier out. They don't want to yield on that point. Now until someone changes or until some peace-saving formula is devised, and they're working pretty hard on it, the situation remains at an impasse. If the government of Egypt cannot solve the present dispute the chances are good that in the next month terrorism and anti-British paramilitary action can break out. If that happens,

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and the British troops in the Suez are seriously hamstrung and irritated and damaged by these efforts, and particularly if the lives of British subjects in Egypt are seriously endangered, Britain will move to occupy Egypt, and then we really will have something in the Near East.

The Anglo-Iranian dispute, the third subject on which I have promised to talk, is likewise in an absolute deadlock. It began two years ago this month. There is no indication that Prime Minister Mossadeh will achieve a settlement now or at any time that we can envisage in the future with Britain. Britain has offered and continues to offer a settlement. The latest offers were genuinely good, by our estimates as well as by their own. The greatest single stumbling block seems to be Mossadeh anti-British sentiment, his deep suspicion of the British, and his two-year technique of saying "No". He's said "no" for two years, and it's very difficult to say anything else after you've said it that long. The other factor is the insistence on the part of the British officials that the Iranians pay them for future profit -- the contract is to run until 1993. Iran is willing after a fashion to pay for the installations, the refineries, the pipes, and the oil equipment. Britain says, "You also have to pay for the profit that we would have made between 1951 when this thing blew up and 1993."

The last current situation on which I'll talk is the grave threat to South Asia of food shortages and economic problems. The great threat to South Asia is not the Kashmir issue, as many people think, but it is the serious food shortage that exists there. The government of India received 190 million dollars worth of grain from us last year. Their deficit annually is estimated to be somewhere around five or six million tons of grain. If you figure that each ton costs roughly \$100, you end up with a deficit financially of a half a billion dollars a year for wheat and rice, and other food grains. The government of Pakistan,

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which should be a food-producing area, may run close to a million tons short this year; in other words, a hundred million dollars deficit. They were a half a million last year. There's no indication that India or Pakistan or Ceylon, which has a lesser deficit, can solve their food deficit. It means that they're in a vicious circle, that the millions and hundreds of millions of dollars or equivalents which should be going to capital investments in the area to improve the area, has to go into the simple problem of feeding these people. The population of India is increasing at the rate of five million people a year. Even the improvements in agricultural methods and the reclamation of land is hardly sufficient to keep up with that. Obviously, it has serious implications for the West, because we consider India a very strategically important area in the Middle East.

Now, I'll conclude this section by giving you just a few comments on the strategic aspects of the area. This whole area is important to the United States for the following reasons:

If we let the Soviet Union, in case of World War III, move into this area, or move into the Middle East at all, we let them move into a strategically important position from which they can out-flank Europe. A major war will necessarily have to be fought to a large extent in Europe where manpower is, where the centers of control are. By letting the Soviet Union into this area, the whole Mediterranean is automatically outflanked, and in danger of falling. The communications, the cables, are just a minor part, but the sea lanes, as well as the necessary air bases that lead into the Middle East, into the farther East, those lanes of communication have to go through the Middle East unless serious and complete revisions are made at this point. If the Suez Canal were held by an enemy, of course, it would mean that all connections eastward would have to be maintained, if they are maintained, by sea from the coast of Africa.

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If we lose the Middle East we lose oil. Europe today, and England included, probably gets 80% plus of its oil out of the Middle East. We do not get very much in the Western Hemisphere here, but if we lose the Middle East, there is the absolute corollary that we must make up that oil from the West, and we don't have the tankers, we don't have the oil above surface, we don't have the facilities for getting it to them with the same speed, the same dispatch that it is now flowing out of the Middle East. Finally, and equally important, if we lose the Middle East -- well, let's put it positively -- we must have the Middle East because it offers the bases, important air bases as well as land bases from which to strike at the Soviet Union. Let me point out to you on the map simply this: The great oil fields of the Soviet Union are within a matter of a few minutes by air from a base in Turkey or Iran. Baku and Batum are the great oil areas of the Soviet Union. The great industrial areas of the Ural, as well as the industrial areas of Western Russia are all within easy medium bomber range of bases that are located in this area. For the same reason the Soviet Union looks at the Near East as an area of exceeding importance to it. It, too, would like to deprive us of the oil. Not that it could use that oil, or transport it so quickly, but it would like to deprive the West of the oil. It would like to make sure that we do not have these big air bases available to strike at the Soviet Union. It feels very sensitive about its resources in the areas adjacent to its frontier. The people that live in this area -- Turks, Uzbeks, Tadjiks, over here some Armenians, Greeks, all these people have friends, relatives; potentially all these people have connections across the frontier. These people are not reliable, and the Soviet Union fears that. Now what are we going to do to hold our own in this area? We are giving this area a tremendous amount of diplomatic attention. We are giving it a small amount of direct aid. A small amount

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certainly by comparison with Europe. Greece and Turkey have received considerable aid, but otherwise the area has received very little material aid. We have linked Greece and Turkey into NATO. We are promoting a Middle East defense organization which we hope will encourage these people to become interested in their own area. We are giving considerable propaganda attention to the area -- U.S.I.E., the general contact by radio, by press, by tours of lectures and so on. We feel that that is honest and compatible with what we represent. The Soviet Union has one tremendous advantage over us in approach to this area. It makes no pretenses of being honest or truthful in its propaganda. It has no scruples. That's a terrific advantage when you approach this problem. They put on the air skillful distortions of the truth; they organize every type of anti-government activity that they feel is of use to them. They support the Communist Party; they organize undergrounds; they do everything at this point to discredit us; however, up to this point we have held our own in the cold war. It is, however, an unyielding and continuing war. It's not a war that you can win. It's a war that will have to continue indefinitely. If we should lose this cold war as it is now going on in this area, we would certainly lose the area in the hot war. We have no alternative except to continue working in the area.

Now, in the time that is left, I want to discuss this second large section of the talk. We mean an analysis of the intelligence problems in the area, and as I've told you, I've divided that into three parts.

The first part is a quick evaluation of the quantity and the quality of the information on the area and out of the area. Looking at the area as a whole, we are in short supply as far as information goes, and our information on the whole is not the quality that we desire. Now let me expand on that a little bit.

Throughout the area, the United States Government and its diplomatic and

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consular establishments. Due to the fact that our commercial interests have not been too great in the area, and that traditionally we have a close tie with Europe, the area does not have the number of stations or the number of personnel assigned to it to adequately and fully cover it from an intelligence angle. After all, the United States Government, the Department of State, has other duties to perform than the gathering of intelligence. As a result of an overworked staff and often a short staff, the area does not get the attention, intelligence-wise, that it should have. Specifically, I could point out that in South Asia, they are very short-handed. There are about 350 million Indians and about 80 or 90 million Pakistanians. Then if you add to that Afghanistan, and Ceylon, you have close to a half a billion human beings on whom we get relatively little reporting when you think of it in terms of that mass. From an angle of From the angle of the reporting that comes through Central Intelligence channels, it's the same problem. We have relatively few connections, relatively few reports that come to us when we compare a report to the great masses of human beings and the great problems that exist in this area. The reporting is just not adequate. We don't get enough. We get it out of the capitals, usually, possibly a few great cities, that's all. To understand this area we need much more. Now something on the quality. The quality is generally inferior to that which would come out of Europe and other parts of the world, possibly also South America. Now that is the result of those factors that I dwelt upon at the beginning. We do not have the qualified people, the people who know the language, who've lived in the areas, who have the contacts, who are interested enough to go out and get the information. We have relatively few businessmen out here from America, and those who are out there don't know the language, and they make quick trips, and they come back with quick impressions. Obviously of

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little use to us. It's a problem which at this point does not yield to any quick or easy solution.

Now something of the evaluation and analysis of the problems of the area. We feel, as we look at the area and are reporting on it, that we are greatly handicapped by the fact that the area has intra-area conflicts the reporting on which is very bad and very biased. By that let's put it this way: From the Arab sources we get obviously distorted reports about Israel. From Israel we get obviously distorted reports about the Arabs. From India we get distorted reports about Pakistan, and from Pakistan we get the same thing for India. You go right down the line and you get this constant bickering and friction internally which prevents the contacts in any given area from supplying good honest information. It tends to be biased, depending on where it originates. Even the Western reporters that are out there tend to be biased. Our reporters sometimes identify themselves too closely with the people; the missionaries that are out there often become very deeply emotionally attached to their converts, and when they do furnish information, which isn't always, we don't always get the right slant. There are too few Westerners out there -- too few people who have studied and worked and learned to understand these people and yet remain unbiased, who come back and give us reports. Now, added to that, there are certain areas that are practically closed to Westerners, where we get almost no information. Saudi Arabia, the great Arabian peninsula, is practically closed, this whole area. You can get into it, but you have to be practically invited personally by the king. You don't get in otherwise. All this area at most admits a traveller here and there -- not very many. The kingdom of Afghanistan is likewise a closed area -- the whole frontier on India's right here -- Nepal, Bhutan, this whole strip of country here is practically closed to us. Added to

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this fact may be another important factor, and that is that large parts of this area are Moslem. Women are still to a considerable extent not free to move around. The whole problem of penetrating the society, of getting into the society for a Westerner is handicapped by this dual division — the fact that the women are separate, behind veils, and often are not seen to any extent by Westerners. That means that the whole problem of our social contacts is limited to the few men who are in government or who are in some way or another emancipated from these traditions. One other comment, I think is necessary

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the economic decline of Iran. When Mossadegh took over two years ago and drove the British oil company out within a few months, and had no more oil revenue, the economic experts began to figure out how many months it would take for Iran to collapse economically. Three months, six months, nine, twelve, a year and a half, I never saw the estimates go above that. Actually, because of the primitive society, because of the people of Iran, with the exception of an infinitesimally small group in the big cities, need a little tea, a little sugar, and a few yards of cloth. Beyond that they really need nothing from the outside. They don't

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really need shoes -- they don't need to wear them or they can make them. Even the clothing they can partly produce at home. So the economy of these countries, even though it is dependent on the automobile and modern transportation to a certain extent, is actually not dependent upon it when you rationalize it carefully. The experts in the government were generally wrong in evaluating the speed with which the loss of the foreign currency from the oil revenues would collapse Iran. It is my opinion that Iran could stagger along in an indefinite manner on the revenues that it has from other materials. That's an accepted opinion. Iran may fall tonight or tomorrow. If it does, it will be falling not from economic decline but from political movements. The economy of Iran isn't going to break Iran down.

One other little story on Iran and then I'll give you a few concluding summary statements. Late in November of the past year, we got a very important message late one Friday which we didn't see immediately. We were alerted to it, and there was a meeting in the Pentagon on it.

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looked at it and thought a moment and then slipped away and checked carefully. The 12th of December is the anniversary day on which the Azerbaijan republic, a Russian sponsored republic that lasted for a short time in northwestern Iran, collapsed. It has always been a date of national interest to the people that sponsored that area. So my immediate reaction was that this is obviously good propaganda and I don't think the Russians are going to invade on the 12th of December any more than they will on any other day. It

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is strictly propaganda. As you know the 12th of December has gone by, and the Russians didn't move in. But had there been a little bit of that type of statistical-historical background, there would have been a lot of flapping not flapped on the last weekend of November.

Now, a quick statement or two on the finished intelligence of the area. My secretary some time ago produced for me a complete list of all the intelligence documents that flow over our desk. They're tremendously impressive. I think they can be summarized rather simply and not quite as impressively in this manner: Each of the services, the Army, the Navy, the Air Force, produces intelligence on a daily, a weekly, monthly, and other bases. Most of this intelligence, however, is directly aimed at the mission and interests of that particular organization -- meaning the Army, the Navy, the Air Force, or the specific interest within that organization. It does not pretend to be and is not finished intelligence, covering all political, economic, military and whatever other aspects there are that have to be interwoven when one wishes to understand this area. Therefore, this intelligence is fragmentary. In a larger sense, it is not complete and is not intended to be complete intelligence. The Department of State does engage in intelligence activity -- its Office of Intelligence and Research produces intelligence on a daily, weekly, and occasional level. It is, however, again intelligence that is used specifically as the political desks need in the Department of State. If the bureau of Near Eastern-African study asks for a bit of intelligence on Iran's political organization, the parties inside Iran, the Iranian desk produces that. If the office of South Asian affairs asks for an evaluation of political stability in Pakistan, OIR does it. In other words, they do fact work, fact reporting, as requested. Therefore, they are <sup>not</sup> covering the area as a whole. There is available to us a limited amount

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Some of it is exceedingly good, some of it is exceedingly colored and biased.

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